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SUMMARY OF *EX PARTE* PRESENTATION

January 16, 2003

Ms. Marlene Dortch
Secretary
Federal Communications Commission
445 12th Street, SW, Room TWA325
Washington, DC 20554

Re: Federal-State Joint Board on Universal Service, CC Docket Nos. 96-45, 98-171, 90-571, 92-237, 99-200, 95-200, 95-116, 98-170 and NSD File No. L-00-72

Dear Ms. Dortch:

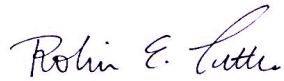
On January 16, 2003, Lawrence E. Sarjeant and I, on behalf of the United States Telecom Association (USTA), along with Dennis Weller of Verizon, Mike Tan of SBC, and Kathleen Levitz of BellSouth, met with Eric Einhorn, Acting Chief, Diane Law Hsu, Acting Deputy Chief, Paul Garnett, and Vickie Byrd of the Telecommunications Access Policy Division, Wireline Competition Bureau regarding the above-referenced proceeding. The purpose of this meeting was to discuss items in the Federal Communications Commission's (Commission's) Report and Order and Second Further Notice of Proposed Rulemaking (Order) in this proceeding on which USTA sought clarification. In accordance with Section 1.1206(b)(2) of the Commission's rules, this letter is being filed electronically with your office.

USTA identified four items on which it sought clarification: assessments for non-SLC charges that are subject to universal service contributions, assessments on Centrex lines, long distance carriers' compliance with state notification requirements regarding changes in the universal service contribution factor, and administrative cost recovery for price cap carriers. With regard to assessments for non-SLC charges and for Centrex lines, USTA discussed that some carriers may be unable to comply with the Commission's rule on the federal universal service line item charge, which was set forth in the Order, on a customer specific basis and USTA proposed that carriers need the flexibility to comply with that rule at the customer class level. With regard to Centrex lines, the Order appears to create a conflict with Commission rule section 69.158, which allows a local carrier to charge a Centrex customer one-ninth of the federal universal service charge. USTA asked that the conflict be removed and the current policy in favor of Centrex equivalency be retained. With regard to the issue of carriers' compliance with state notification requirements relating to universal service contribution factor changes, USTA discussed that notification requirements in some states may inhibit some carriers from complying, for some period of time, with the Commission's rules set forth in the Order. Finally, with regard to administrative cost recovery for price cap carriers, USTA sought clarification on language in the Order and whether that language was intended to limit price cap carriers from recovering their legitimate administrative costs.

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Please feel free to contact me if you have any questions.

Sincerely,

A handwritten signature in cursive script, reading "Robin E. Tuttle". The signature is written in dark ink and is positioned above the printed name and title.

Robin E. Tuttle
Associate Counsel